

**BEFORE THE INSURANCE COMMISSIONER**

**FOR THE STATE OF DELAWARE**

**IN THE MATTER OF:** )  
 )  
**AMERICAN EQUITY INVESTMENT LIFE** )  
**INSURANCE COMPANY** )  
 ) **DOCKET NO. 3421-2017**  
**NAIC #92738** )  
 )  
**6000 Westown Parkway** )  
**West Des Moines, Iowa 50266** )

**STIPULATION AND CONSENT ORDER**

**THIS STIPULATION AND CONSENT ORDER** is entered into as of March 6, 2017, by and between American Equity Investment Life Insurance Company (the "Respondent") and the State of Delaware Department of Insurance ("Department"). The Respondent and the Department are collectively referred to herein as the "**Parties.**"

**WHEREAS,** Respondent is a life insurance company incorporated under Iowa law and authorized to conduct the business of insurance in the State of Delaware; and

**WHEREAS,** the Department, through its examiners, conducted a target market conduct examination ("Examination") of Respondent's affairs and practices as of March 31, 2015; and

**WHEREAS,** the Department, through its examiners, prepared and provided to Respondent for review and comments draft versions of a report of the Examination; and

**WHEREAS,** Respondent has reviewed and commented on such draft versions of the report of the Examination; and

**WHEREAS**, after considering Respondent's comments, the Department, through its examiners, has prepared a final report of the Examination, dated as of March 31, 2015 ("Final Examination Report"); and

**WHEREAS**, among other findings contained in the Final Examination Report, the Department concluded that the Respondent's practices and procedures did not comply with (i) 18 *Del. C.* §2712, in that it failed to file forms with the Department prior to use; (ii) 18 *Del. C.* §2304, in that it failed to ensure that information provided to consumers is not false, misleading or deceptive through the use of misleading return information in advertisements; and (iii) 18 *Del. Admin. Code* §§1204-5.1.2, 1204-5.2.1 and 1204-7.1.2.2, in that it failed to appropriately administer the Replacement of Life Insurance Policies requirements (collectively, the "Notice Violations").

**WHEREAS**, after communications with the Department, Respondent desires to resolve this matter without recourse to any administrative hearing or court action (such as an appeal).

**NOW, THEREFORE, IT IS AGREED**, by and between Respondent and the Department as follows:

1. Respondent accepts the Final Examination Report, waives any right to a hearing thereon, and agrees that the Department may file the Final Examination Report without any further modifications.

2. Upon its execution of this Stipulation and Consent Order, Respondent shall pay to the Department an administrative penalty for the Notice Violations in the amount of Twenty Two Thousand Dollars (\$22,000.00). Respondent shall make its check for the administrative penalty payable to the "State of Delaware."

3. Respondent waives any right to challenge in an administrative or court proceeding any of the terms and conditions of this Stipulation and Consent Order.

4. This Stipulation and Consent Order is the free and voluntary act of the Respondent, and its terms are binding upon the Respondent and may be admitted into evidence in any judicial or administrative proceeding against the Respondent to enforce such terms. Respondent acknowledges that it has had a full opportunity to seek and receive advice of counsel on all matters related to this Stipulation and Consent Order.

5. This Stipulation and Consent Order contains all of the terms and conditions agreed to by the parties and constitutes the final agreement between the Respondent and the Department.

6. No change, amendment, or modification hereto shall be effective or binding unless it is in writing, dated, and signed by the parties.

7. If the Department fails to act on any one or more defaults by the Respondent, such failure to act shall not be a waiver of any rights hereunder on the part of the Department to declare the Respondent in default and to take such action as may be permitted by this Stipulation and Consent Order or by law.

8. This Stipulation and Consent Order may be signed in duplicate, and both documents shall be considered originals. The person executing this Stipulation and Consent Order on behalf of Respondent shall acknowledge his or her signature before a Notary Public and, by executing this Stipulation and Consent Order, certifies that he or she is duly authorized to execute this Stipulation and Consent Order on behalf of Respondent. Respondent agrees that an uncertified copy of this Stipulation and Consent Order shall be valid as evidence in any proceeding for purposes of enforcement.

9. This Stipulation and Consent Order shall survive the Respondent and be enforceable against its successors, transferors, or assigns.

***[Signature Page Follows]***

AMERICAN EQUITY INVESTMENT  
LIFE INSURANCE COMPANY

DELAWARE INSURANCE DEPARTMENT

*Renee Montz*

Print Name: RENEE MONTZ  
Title: SECRETARY  
Date: 3-6-17

*Trinidad Navarro*

TRINIDAD NAVARRO  
Insurance  
Commissioner Date:

Witness to Respondent's Signature

Name: Shavi Wood  
Title: Paralegal  
Date: 3-6-17



STATE OF Texas )  
COUNTY OF Dallas ) SS.

The foregoing instrument was acknowledged before me this 6<sup>th</sup> day of March 2017,  
by Lori Leix, who is personally known to me or who has produced  
Lori Leix, as identification, and who certified that he or she is duly authorized  
to execute this document on behalf of Respondent.

GIVEN under my Hand and Seal of office, the day and year aforesaid.

*Lori Leix*

NOTARY PUBLIC

*Lori Leix*

PRINT NAME

2-11-20

MY COMMISSION EXPIRES